

Public Chapter 460

HOUSE BILL NO. 795

By Representative Rhinehart

Substituted for: Senate Bill No. 364

By Senator Cooper

AN ACT to amend Tennessee Code Annotated, Title 68, Chapter 11.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 68-11-121(f)(1), is amended by deleting the date "June 30, 1997" and substituting the date "July 1, 1998".

SECTION 2. Tennessee Code Annotated, Section 68-11-121(f)(1) is amended by deleting the final sentence and by substituting instead: "Between July 1, 1997 and June 30, 1998 no more than one hundred twenty-five (125) Medicare SNF beds shall be authorized for applicants filing during such time for a certificate of need issued pursuant to this subsection".

SECTION 3. Tennessee Code Annotated, Section 68-11-121(f)(2), is deleted in its entirety and the following substituted therefore:

(2) Applications for Medicare SNF beds under this subsection shall be reviewed by the department and considered by the commission pursuant to Tennessee Code Annotated, Section 68-11-108 rather than Tennessee Code Annotated, Section 68-11-121(a)-(d).

SECTION 4. Tennessee Code Annotated, Section 68-11-121(f)(3), (4) and (5) are deleted.

SECTION 5. Tennessee Code Annotated, Section 68-11-121(g), is amended by deleting the existing language and substituting the following:

(g) During the time this section is in effect its provisions shall apply to all changes in number of licensed nursing home beds except those included in subsection (f). The provisions of Tennessee Code Annotated, Section 68-11-106(b) permitting expansion of existing licensed nursing homes by the lesser of ten (10) beds or ten percent (10%) shall not apply during such time. It is provided, however, that up to one hundred twenty-five (125) new nursing home beds shall be approved by the commission without requiring a certificate of need in accordance with the following:

(1) All existing licensed nursing homes, except those licensed after May 15, 1996 and those who expanded through the ten (10) bed/ten percent (10%) provision and which expansions were licensed after May 15, 1996, shall be eligible to notify the commission of their desire to increase their total number of licensed nursing home beds by

the lesser of ten (10) beds or ten percent (10%) of the total number of licensed beds in the facility.

(2) The commission, in an open meeting, shall by random drawing approve expansions without a certificate of need under this provision, not to exceed one hundred twenty-five (125) beds in total.

(3) On or about July 1, 1997, the commission shall notify all nursing homes of the opportunity to participate in the random drawing if they qualify under subdivision (1) and that a letter stating a desire to participate and stating the number of beds desired must be received by the commission no later than sixty (60) days from the date of the notice by the commission. No fee shall be charged to a facility for participation in this process.

(4) It shall be the responsibility of the nursing home to insure that the commission has actually received, within the time specified, a letter expressing a desire to expand.

(5) All expansions without certificate of need under this provision shall be licensed within one (1) year of the commission's approval under subdivision (2). No extensions of time shall be authorized or granted.

SECTION 6. Tennessee Code Annotated, Section 68-11-121, is further amended by adding a new subsection at the end to read as follows:

“() The provisions of this section shall expire automatically on July 1, 1998.”

SECTION 7. Tennessee Code Annotated, Section 68-11-121(f), is amended by adding a new subdivision at the end of the existing language to read as follows:

“() If the pool of one hundred twenty-five (125) Medicare SNF beds created by subdivision (f)(1) is not depleted prior to the deadline established by that subdivision, the beds remaining in such pool shall be considered to be available to applicants who apply before the deadline even though review may occur after the deadline.”

SECTION 8. If any provision of this act or the application thereof to any person or circumstance is finally adjudicated to be in violation of any federal statute or constitutional provision and for that reason is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 9. The provisions of Section 6 of this act shall be effective upon becoming a law, the public welfare requiring it. The remaining provisions of this act shall take effect on July 1, 1997.